PROPOSED PROJECT CRITERIA – ROUND 1

The following "Pass-Fail" criteria are proposed for the selection of initial California Power Authority projects. Public comment on this item is welcome and should be e-mailed to bb.blevins@dgs.ca.gov by September 4, 2001.

GAS-FIRED PEAKER PROJECTS

- Project must be available for Authority purchase on first date of on-line operation.
- Project must be on-line before July 1, 2002.
- Project poses no environmental concerns.

All projects meeting the above criterion will be eligible for an award based on price, but a preference will be shown for projects located north of Path 15.

RENEWABLE PROJECTS

- □ Projects available by Summer 2002 will get preference.
- Project must be cost-competitive with other projects having a similar generation source.